

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
NANCE PETROLEUM CORPORATION FOR
AN ORDER DELINEATING THE N $\frac{1}{2}$, SE $\frac{1}{4}$
OF SECTION 16, T23N-R58E, RICHLAND
COUNTY, MONTANA, AS A 480-ACRE
PERMANENT SPACING UNIT FOR THE
BAKKEN FORMATION AND
DESIGNATING APPLICANT'S STATE
8-16 WELL AS THE AUTHORIZED WELL
FOR SAID SPACING UNIT. [VAUX FIELD]

ORDER NO. 122-2004

Docket No. 141-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Nance Petroleum Corporation is granted as applied for.

BOARD ORDER NO. 122-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
NANCE PETROLEUM CORPORATION TO
DESIGNATE ALL OF SECTION 21,
T23N-R58E, RICHLAND COUNTY, MONTANA,
AS A 640-ACRE TEMPORARY SPACING
UNIT FOR THE BAKKEN FORMATION AND
TO PERMIT THE DRILLING OF A
DUAL-LATERAL HORIZONTAL TEST
WELL IN SAID TEMPORARY SPACING
UNIT BY RE-ENTRY OF THE NPC
LARSON 15-21 WELL LOCATED 100' FSL
AND 1650' FEL OF SAID SECTION 21, AND
PROVIDING THAT THE LATERALS SHALL
AT NO POINT PENETRATE THE BAKKEN
FORMATION AT A DISTANCE OF LESS
THAN 330 FEET FROM THE SOUTHERN
BOUNDARY AND 660 FEET FROM THE
REMAINING EXTERIOR BOUNDARIES
OF THE TEMPORARY SPACING UNIT.
[VAUX FIELD]

ORDER NO. 123-2004

Docket No. 142-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The applicant requests that all of Section 21, T23N-R58E, Richland County, Montana, be designated a 640-acre temporary spacing unit for the Bakken Formation and asks to drill a dual-lateral horizontal test well in said temporary spacing unit by re-entry of the NPC Larson 15-21 well located 100' FSL and 1650' FEL of said Section 21, providing that the laterals shall at no point penetrate the Bakken Formation at a distance of less than 330 feet from the southern boundary and 660 feet from the remaining exterior boundaries of the temporary spacing unit.
3. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

BOARD ORDER NO. 123-2004

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Nance Petroleum Corporation is granted as applied for.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
NANCE PETROLEUM CORPORATION FOR
AN ORDER DELINEATING LOTS 3, 4,
S½NW¼, SW¼ OF SECTION 1, T27N-R58E,
ROOSEVELT COUNTY, MONTANA, AS A
320-ACRE PERMANENT SPACING UNIT
FOR THE NISKU FORMATION AND
DESIGNATING APPLICANT'S LARSEN
FARMS 1-1 WELL AS THE ONLY
AUTHORIZED WELL FOR SAID
SPACING UNIT. [BAINVILLE II FIELD]

ORDER NO. 124-2004

Docket No. 143 -2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Nance Petroleum Corporation is granted as applied for.

BOARD ORDER NO. 124-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
NANCE PETROLEUM CORPORATION TO
VACATE THE SPACING ESTABLISHED BY
BOARD ORDER 59-97, AND TO DESIGNATE
ALL OF SECTION 19, T23N-R57E, RICHLAND
COUNTY, MONTANA, AS A 640-ACRE
TEMPORARY SPACING UNIT FOR THE
BAKKEN FORMATION. APPLICANT ALSO
REQUESTS PERMISSION TO DRILL A
DUAL-LATERAL HORIZONTAL TEST WELL
IN SAID TEMPORARY SPACING UNIT WITH
THE HORIZONTAL LATERALS AT NO POINT
PENETRATING THE MIDDLE BAKKEN
DOLOMITE FORMATION AT A DISTANCE
OF LESS THAN 660 FEET FROM THE
EXTERIOR BOUNDARIES OF THE
TEMPORARY SPACING UNIT.
[THREE BUTTES FIELD]

ORDER NO. 125-2004

Docket No. 144-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Applicant proposes to vacate the spacing unit established by Board Order 59-97, to designate all of Section 19, T23N-R57E, Richland County Montana, as a temporary spacing unit in the Bakken Formation and to drill a dual-lateral horizontal test well in said temporary spacing unit with the horizontal laterals at no point penetrating the middle Bakken Dolomite Formation at a distance of less than 660 feet from the exterior boundaries of the temporary spacing unit.
3. Applicant will cease production from the Bakken Formation in the Nevins 1-19 well if the proposed horizontal well is successful.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

BOARD ORDER NO. 125-2004

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Nance Petroleum Corporation is granted as applied for.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
CAMWEST PARTNERS II, LLC TO AMEND
BOARD ORDER 97-83 TO ALLOW AN
ADDITIONAL HORIZONTAL WELL TO
BE DRILLED AND COMPLETED IN EITHER
THE RED RIVER "C", "D", OR "E" ZONES
AT ANY LOCATION NOT CLOSER THAN
660 FEET TO THE BOUNDARY OF THE
SPACING UNIT COMPRISED OF THE E½
OF SECTION 24, T32N-R58E,
SHERIDAN COUNTY, MONTANA.

ORDER NO. 126-2004

Docket No. 145-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of CamWest Partners II, LLC is granted as applied for.

BOARD ORDER NO. 126-2204

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
CAMWEST II, LLC FOR A CLASS II
INJECTION WELL PERMIT TO INJECT
FLUIDS INTO THE HANSEN 3 WELL IN THE
NESW OF SECTION 11, T37N-R57E,
SHERIDAN COUNTY, MONTANA.
APPLICANT PROPOSES TO INJECT PRODUCED
WATER FROM THE FLAT LAKE FIELD INTO
THE NISKU FORMATION AT A DEPTH OF
7900 TO 8100 FEET. AN AQUIFER
EXEMPTION IS NOT REQUIRED BECAUSE
THE PROPOSED INJECTION ZONE
CONTAINS WATER WITH GREATER
THAN 10,000-PPM TOTAL DISSOLVED SOLIDS.

ORDER NO. 127-2004

Docket No. 146-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Applicant proposes to inject produced water from the Flat Lake Field into the Nisku Formation at a depth of 7900 to 8100 feet. An aquifer exemption is not required because the proposed injection zone contains water with greater than 10,000 ppm total dissolved solids.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Camwest II, LLC is granted as applied for, subject to stipulations on the Sundry Notice.

BOARD ORDER NO. 127-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
PETRO HUNT, LLC TO DRILL A WELL TO
A DEPTH SUFFICIENT TO TEST THE
DEADWOOD FORMATION AT A LOCATION
APPROXIMATELY 350' FEL AND 500' FSL OF
SECTION 12, T23N-R51E, RICHLAND COUNTY,
MONTANA, AND TO CREATE A TEMPORARY
SPACING UNIT FOR THE INTERLAKE,
RED RIVER, WINNIPEG AND DEADWOOD
FORMATIONS CONSISTING OF LOTS 3 AND 4
OF SECTION 7 AND LOTS 1 AND 2 OF SECTION
18, T23N-R52E, AND THE E $\frac{1}{2}$ SE $\frac{1}{4}$ OF SECTION
12 AND THE E $\frac{1}{2}$ NE $\frac{1}{4}$ OF SECTION 13,
T23N-R51E, RICHLAND COUNTY, MONTANA.

ORDER NO. 128-2004

Docket No. 147-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the Conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Petro Hunt, LLC. is granted as applied for.

BOARD ORDER NO. 128-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
PETRO HUNT, LLC TO CREATE A
TEMPORARY SPACING UNIT COMPRISED
OF ALL OF SECTIONS 3 AND 4, T22N-R57E,
RICHLAND COUNTY, MONTANA, AND TO
ALLOW A DUAL-LATERAL HORIZONTAL
WELL TO BE DRILLED TO THE BAKKEN
FORMATION AT ANY LOCATION WITHIN
SAID TEMPORARY SPACING UNIT BUT
NOT CLOSER THAN 660 FEET TO THE
BOUNDARIES THEREOF.

ORDER NO. 129-2004

Docket No. 148-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Petro Hunt, LLC. is granted as applied for.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 129-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
DUANE T. ENNEBERG & MARILYN P. ENNEBERG
TO DRILL AND PRODUCE THE
MCNAMER 5-22 TEST WELL LOCATED IN
THE SW¼ OF SECTION 22, T34N-R1W,
TOOLE COUNTY, MONTANA, AS AN
EXCEPTION TO THE OTHERWISE APPLICABLE
KEVIN-SUNBURST FIELD RULES.

ORDER NO. 130-2004

Docket No. 149-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the Conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Applicant's proposed well location of approximately 2310' FSL and 330' FWL of Section 22, T34N-R1W, Toole County, Montana, is not in compliance with Kevin-Sunburst Field rules in that it is closer than 2400 feet to an existing gas well on the same lease.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Duane T. Enneberg and Marilyn P. Enneberg is granted as applied for.

BOARD ORDER NO. 130-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
KLABZUBA OIL & GAS, INC. TO VACATE
THE TEMPORARY SPACING UNIT
COMPRISED OF THE S½ OF SECTION 2
AND THE N½ OF SECTION 11, T36N-R15E,
HILL COUNTY, MONTANA, WHICH WAS
CREATED BY BOARD ORDER 80-2002.

ORDER NO. 131-2004

Docket No. 150-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the temporary spacing unit created by Board Order 80-2002 is vacated.

BOARD ORDER NO. 131-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
KLABZUBA OIL & GAS, INC. TO DRILL AN
EAGLE SAND FORMATION GAS WELL 869'
FNL AND 1,347' FEL OF SECTION 36,
T34N-R16E, HILL COUNTY, MONTANA,
WITH A 25-FOOT TOLERANCE IN ANY
DIRECTION FOR TOPOGRAPHIC REASONS
AS AN EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 132-2004

Docket No. 151-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Klabzuba Oil & Gas, Inc. is granted as applied for.

BOARD ORDER NO. 132-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
KLABZUBA OIL & GAS, INC. TO DESIGNATE
THE E½ OF SECTION 13, T25N-R18E, BLAINE
COUNTY, MONTANA, AS A TEMPORARY
SPACING UNIT TO DRILL AND PRODUCE ITS
GASVODA-FEDERAL # 13-9-25-18B GAS WELL
LOCATED 971' FEL AND 1501' FSL OF SAID
SECTION 13, WITH A 25-FOOT TOLERANCE
IN ANY DIRECTION FOR TOPOGRAPHIC
REASONS, AS AN EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 133-2004

Docket No. 152-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Klabzuba Oil & Gas, Inc. is granted as applied for.

BOARD ORDER NO. 133-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
KLABZUBA OIL & GAS, INC. TO DRILL AN
ADDITIONAL EAGLE SAND FORMATION
GAS WELL (THE MORSE #30-9-33-15E)
1650' FSL AND 800' FEL OF SECTION 30,
T33N-R15E, HILL COUNTY, MONTANA, AS
AN EXCEPTION TO BOARD ORDER 22-78.
[BADLANDS FIELD]

ORDER NO. 134-2004

Docket No. 154-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Klabzuba Oil & Gas, Inc. is granted as applied for.

BOARD ORDER NO. 134-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
KLABZUBA OIL & GAS, INC. TO DRILL AN
ADDITIONAL EAGLE SAND FORMATION
GAS WELL (THE MORSE #29-5-33-15D)
2400' FNL AND 190' FWL OF SECTION 29,
T33N-R15E, HILL COUNTY, MONTANA,
WITH A 100-FOOT TOLERANCE IN ANY
DIRECTION FOR TOPOGRAPHIC REASONS
AS AN EXCEPTION TO BOARD ORDER
22-78. [BADLANDS FIELD]

ORDER NO. 135-2004

Docket No. 155-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Klabzuba Oil & Gas, Inc. is granted as applied for.

IT IS FURTHER ORDERED that, should applicant's proposed well be successful, all proceeds shall be escrowed in an interest-bearing account pending execution of a border agreement among all affected parties. Alternatively, should engineering and geologic data acquired from such well indicate that a border agreement is not required to protect correlative rights, the applicant may submit such information to the Board's Administrator who may either make a determination that a border agreement is not required and that escrowed proceeds may be released, or refer the matter to the Board for hearing.

BOARD ORDER NO. 135-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
KLABZUBA OIL & GAS, INC. TO
DELINEATE THE SE¼SW¼ OF SECTION 25,
T35N-R19E, BLAINE COUNTY, MONTANA,
AS A FIELD AND PERMANENT SPACING
UNIT FOR PRODUCTION OF OIL AND
ASSOCIATED NATURAL GAS FROM THE
SAWTOOTH FORMATION, TO DESIGNATE
APPLICANT'S PURSLEY #25-35-19B (O) WELL
AS THE ONLY AUTHORIZED WELL FOR
THE SAID SPACING UNIT, TO POOL ALL
INTERESTS IN SAID SPACING UNIT AND TO
AUTHORIZE RECOVERY OF NON-CONSENT
PENALTIES IN ACCORDANCE WITH SECTION
82-11-202 (2), M.C.A.

ORDER NO. 136-2004

Docket No. 156-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the SE¼SW¼ of Section 25, T35N-R19E, Blaine County, Montana, is delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Sawtooth Formation.

IT IS FURTHER ORDERED that applicants Pursley #25-35-19B (O) well is designated as the only authorized well for said spacing unit.

IT IS FURTHER ORDERED that all interests in said spacing unit are pooled and applicant is authorized to recover non-consent penalties in accordance with Section 82-11-202 (2), M.C.A.

BOARD ORDER NO. 136-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
ENCORE OPERATING, L.P. TO CREATE A
TEMPORARY SPACING UNIT FOR THE
SILURO-ORDOVICIAN FORMATIONS
COMPRISED OF ALL OF SECTION 23,
T6N-R60E, FALLON COUNTY, MONTANA,
AND AUTHORIZING THE DRILLING OF A
DUAL-LATERAL HORIZONTAL WELL
THEREIN AS AN EXCEPTION TO BOARD
ORDER NO. 21-62. [LOOKOUT BUTTE FIELD]

ORDER NO. 137-2004

Docket No. 159-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. At the hearing, applicant modified its application to create a temporary spacing unit comprised of all of Section 23, T6N-R60E, Fallon County, Montana, except the NWNW of said Section 23.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that a temporary spacing unit for the Siluro-Ordovician Formation is created to consist of all of Section 23, T6N-R60E, Fallon County, Montana, except for the NW1/4 NW1/4 of said Section 23.

IT IS FURTHER ORDERED that applicant may drill a dual-lateral horizontal well therein with laterals to be located no closer than 660 feet to the boundaries of the temporary spacing unit as an exception to the Lookout Butte Field Rules established by Board Order 21-62.

BOARD ORDER NO. 137-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
ENCORE OPERATING, L.P. TO CREATE A
640-ACRE TEMPORARY SPACING UNIT FOR
THE SILURO-ORDOVICIAN FORMATIONS
COMPRISED OF ALL OF SECTION 24, T6N-R60E,
FALLON COUNTY, MONTANA, AND TO
AUTHORIZE THE DRILLING OF A DUAL-LATERAL
HORIZONTAL WELL AS AN EXCEPTION TO
BOARD ORDER 21-62. [LOOKOUT BUTTE FIELD]

ORDER NO. 138-2004

Docket No. 160-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 24, T6N-R60E, Fallon County Montana, is designated as a temporary spacing unit for the Siluro-Ordovician Formations.

IT IS FURTHER ORDERED that applicant may drill a dual-lateral horizontal well therein with laterals to be located no closer than 660 feet to the boundaries of said temporary spacing unit as an exception to the Lookout Butte Field Rules established by Board Order 21-62.

BOARD ORDER NO. 138-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
ENCORE OPERATING, L.P. TO CERTIFY
THE FOLLOWING WELLS IN FALLON
COUNTY, MONTANA, FOR APPROPRIATE
SEVERANCE TAX REDUCTIONS AVAILABLE
TO OIL WELL HORIZONTAL RE-ENTRIES:

ORDER NO. 139-2004

API Number	Well Name	Completion Date
25-025-05058-00-00	LBE 24-05H	March, 2004
25-025-05202-00-00	PNL 42-20BH	February, 2004
25-025-21438-00-00	CRL 42-10RCCH	February, 2004

Docket No. 162-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the wells listed in the caption, all in Fallon County, Montana, are entitled to the severance tax reductions available to oil well horizontal re-entries.

IT IS FURTHER ORDERED that the staff prepare the appropriate certification for the Department of Revenue.

BOARD ORDER NO. 139-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004. .

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION

OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
MONTANA DEPARTMENT OF NATURAL
RESOURCES AND CONSERVATION, TRUST
LANDS MANAGEMENT DIVISION TO
AMEND BOARD ORDER 10-70 TO ALLOW
ONE WELL PER 160 ACRES FOR PRODUCTION
FROM THE EAGLE FORMATION IN SECTION
36, T32N-R15E, HILL COUNTY, MONTANA,
AND TO DESIGNATE THE STATE #36-13
WELL AS THE ONLY AUTHORIZED WELL
FOR PRODUCTION FROM THE EAGLE
FORMATION IN THE SW¼ SPACING UNIT
OF SAID SECTION 36. [TIGER RIDGE FIELD]

ORDER NO. 140-2004

Docket No. 163-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the Conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. A protest letter was received from Mr. Giles Majerus requesting an opportunity to present oral testimony in this matter. Mr. Majerus did not appear at the hearing.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that, effective May 20, 2004, Board Order 10-70 is amended to allow one well per 160 acres for production from the Eagle Formation in Section 36, T32N-R15E, Hill County, Montana.

IT IS FURTHER ORDERED that the State #36-13 well is designated as the only authorized well for production from the Eagle Formation in the SW¼ spacing unit of said Section 36.

IT IS FURTHER ORDERED that there will be 660 foot setbacks in all undrilled quarters in Section 36.

BOARD ORDER NO. 140-2004

IT IS FURTHER ORDERED that this Order is effective as of May 20, 2004, and will not affect the distribution of royalties prior to said date.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004. .

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

I dissent. I feel the Order should be retroactive to date of first production instead of today's date. Mineral owners spaced out by this order should not get production proceeds because their resources have not been drained.

Denzil Young, Vice-Chairman

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
LYCO ENERGY CORPORATION TO CREATE
A TEMPORARY SPACING UNIT COMPRISED
OF ALL OF SECTIONS 20 AND 29, T23N-R58E,
RICHLAND COUNTY, MONTANA, AND TO
AUTHORIZE DRILLING AN
EXTENDED-LATERAL HORIZONTAL BAKKEN
FORMATION WELL THEREON ANYWHERE
WITHIN SAID TEMPORARY SPACING UNIT
BUT NOT CLOSER THAN 660 FEET TO THE
BOUNDARIES THEREOF.

ORDER NO. 141-2004

Docket No. 164-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Sections 20 and 29, T23N-R58E, Richland County, Montana, are designated as a temporary spacing unit for the Bakken Formation.

IT IS FURTHER ORDERED that applicant may drill an extended-lateral horizontal Bakken Formation well thereon anywhere within said temporary spacing unit but not closer than 660 feet to the boundaries thereof.

BOARD ORDER NO. 141-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004. .

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
LYCO ENERGY CORPORATION TO CREATE
A TEMPORARY SPACING UNIT COMPRISED
OF THE W½ AND SE¼ OF SECTION 2 AND
ALL OF SECTION 11, T23N-R57E, RICHLAND
COUNTY, MONTANA, AND TO AUTHORIZE
DRILLING AN EXTENDED-LATERAL
HORIZONTAL BAKKEN FORMATION WELL
ANYWHERE WITHIN SAID TEMPORARY
SPACING UNIT BUT NOT CLOSER THAN 660
FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 142-2004

Docket No. 165-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the W½ and SE¼ of Section 2 and all of Section 11, T23N-R57E, Richland County, Montana, are designated as a temporary spacing unit for the Bakken Formation.

IT IS FURTHER ORDERED that applicant is authorized to drill an extended-lateral horizontal Bakken Formation well anywhere within said temporary spacing unit but not closer than 660 feet to the boundaries thereof.

BOARD ORDER NO. 142-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
LYCO ENERGY CORPORATION TO
DELINEATE ALL OF SECTION 29, T24N-R57E,
RICHLAND COUNTY, MONTANA, AS A
FIELD AND PERMANENT SPACING UNIT FOR
PRODUCTION OF OIL AND ASSOCIATED
NATURAL GAS FROM THE BAKKEN FORMATION
TO DESIGNATE APPLICANT'S
ROCKY-CONRAD #29-2-H WELL AS THE
ONLY AUTHORIZED WELL FOR SAID
SPACING UNIT, TO POOL ALL INTERESTS IN
SAID PERMANENT SPACING UNIT AND TO
AUTHORIZE RECOVERY OF NON-CONSENT
PENALTIES IN ACCORDANCE WITH
SECTION 82-11-202 (2), M.C.A.

ORDER NO. 143-2004

Docket No. 167-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Section 29, T24N-R57E, Richland County, Montana, is designated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Rocky-Conrad #29-2-H well is designated as the only authorized well for said spacing unit.

IT IS FURTHER ORDERED that all interests in said permanent spacing unit are pooled on the bases of surface acreage and non-consent penalties in accordance with Section 82-11-202 (2), M.C.A. are authorized.

BOARD ORDER NO. 143-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
LYCO ENERGY CORPORATION TO
DELINEATE ALL OF SECTION 1, T23N-R57E
AND ALL OF SECTION 36, T24N-R57E,
RICHLAND COUNTY, MONTANA, AS A
FIELD AND PERMANENT SPACING UNIT
FOR PRODUCTION OF OIL AND ASSOCIATED
NATURAL GAS FROM THE BAKKEN
FORMATION, TO DESIGNATE APPLICANT'S
NATASHA-COON #1-14-H WELL AS THE ONLY
AUTHORIZED WELL FOR SAID SPACING
UNIT, TO POOL ALL INTERESTS IN SAID
PERMANENT SPACING UNIT AND TO
AUTHORIZE RECOVERY OF NON-CONSENT
PENALTIES IN ACCORDANCE WITH
SECTION 82-11-202 (2), M.C.A.

ORDER NO. 144-2004

Docket No. 168-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. A letter regarding non-consent force pooling statutes, which are applicable to this application, was sent to all Board members by Mr. Richard C. Hoefle who is an independent oil operator from Billings. Mr. Hoefle was present at the hearing and did not protest the application.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Section 1, T23N-R57E and Section 36, T24N-R57E, Richland County, Montana, are delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 144-2004

IT IS FURTHER ORDERED that applicant's Natasha-Coon #1-14-H well is designated as the only authorized well for said spacing unit.

IT IS FURTHER ORDERED that all interests in said permanent spacing unit are pooled on the basis of surface acreage and non-consent penalties in accordance with Section 82-11-202 (2), M.C.A. are imposed.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
LYCO ENERGY CORPORATION TO
DELINEATE ALL OF SECTION 12 AND THE
NE¼ AND S½ OF SECTION 13, T25N-R53E,
RICHLAND COUNTY, MONTANA, AS A
FIELD AND PERMANENT SPACING UNIT
FOR PRODUCTION OF OIL AND
ASSOCIATED NATURAL GAS FROM THE
BAKKEN FORMATION AND DESIGNATING
APPLICANT'S FLIK-IRIGOIN #13-1-H WELL
AS THE ONLY AUTHORIZED WELL
FOR SAID SPACING UNIT.

ORDER NO. 145-2004

Docket No. 169-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 12 and the NE¼ and S½ of Section 13, T25N-R53E, Richland County, Montana, are delineated as a field and permanent spacing unit for production oil and associated natural gas from the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Flik-Irigoin #13-1-H well is designated as the only authorized well for said spacing unit.

BOARD ORDER NO. 145-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
LYCO ENERGY CORPORATION TO
DELINEATE ALL OF SECTION 32, T25N-R54E,
RICHLAND COUNTY, MONTANA, AS A
FIELD AND PERMANENT SPACING UNIT
FOR PRODUCTION OF OIL AND ASSOCIATED
NATURAL GAS FROM THE BAKKEN
FORMATION AND DESIGNATING
APPLICANT'S STOCKADE-STRAND #32-4-H
WELL AS THE ONLY AUTHORIZED WELL
FOR SAID SPACING UNIT.

ORDER NO. 146-2004

Docket No. 170-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Section 32, T25N-R54E, Richland County, Montana, is designated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Stockade-Strand #32-4-H well is designated as the only authorized well for said spacing unit.

BOARD ORDER NO. 146-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
LYCO ENERGY CORPORATION TO
DELINEATE ALL OF SECTION 10, T23N-R57E,
RICHLAND COUNTY, MONTANA, AS A
FIELD AND PERMANENT SPACING UNIT
FOR PRODUCTION OF OIL AND ASSOCIATED
NATURAL GAS FROM THE BAKKEN
FORMATION AND DESIGNATING
APPLICANT'S COYOTE-CUNDIFF #10-14-H
WELL AS THE ONLY AUTHORIZED WELL
FOR SAID SPACING UNIT.

ORDER NO. 147-2004

Docket No. 171-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Section 10, T23N-R57E, Richland County, Montana, is designated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Coyote-Cundiff #10-14-H well is designated as the only authorized well for said spacing unit.

BOARD ORDER NO. 147-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
LYCO ENERGY CORPORATION TO
DELINEATE ALL OF SECTIONS 20 AND 29,
T25N-R54E, RICHLAND COUNTY, MONTANA,
AS A FIELD AND PERMANENT SPACING
UNIT FOR PRODUCTION OF OIL AND
ASSOCIATED NATURAL GAS FROM THE
BAKKEN FORMATION AND DESIGNATING
APPLICANT'S CABLE-LEONARD #29-14-H
WELL AS THE ONLY AUTHORIZED WELL
FOR SAID SPACING UNIT.

ORDER NO. 148-2004

Docket No. 172-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Section 20 and 29, T25N-R54E, Richland County, Montana, is designated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Cable-Leonard #29-14-H well is designated as the only authorized well for said spacing unit.

BOARD ORDER NO. 148-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION
OF LYCO ENERGY CORPORATION TO
DELINEATE ALL OF SECTIONS 12 AND 13,
T24N-R54E, RICHLAND COUNTY,
MONTANA, AS A FIELD AND
PERMANENT SPACING UNIT FOR
PRODUCTION OF OIL AND ASSOCIATED
NATURAL GAS FROM THE BAKKEN
FORMATION AND DESIGNATING
APPLICANT'S SNYDLEY-EDDIE #12-4-H
WELL AS THE ONLY AUTHORIZED
WELL FOR SAID SPACING UNIT.

ORDER NO. 149-2004

Docket No. 173-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Sections 12 and 13, T24N-R54E, Richland County, Montana, are designated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Snydley-Eddie #12-4-H well is designated as the only authorized well for said spacing unit.

BOARD ORDER NO. 149-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at
Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
J. BURNS BROWN OPERATING COMPANY
TO AMEND BOARD ORDER 140-97 TO
DESIGNATE THE MORSE 22-33-14B WELL
AS THE PERMITTED WELL IN THE
PERMANENT SPACING UNIT FOR THE
EAGLE FORMATION CONSISTING OF
THE N½ OF SECTION 22, T33N-R14E,
HILL COUNTY, MONTANA.

ORDER NO. 150-2004

Docket No. 174-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of J. Burns Brown Operating Company is granted as applied for.

BOARD ORDER NO. 150-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
J. BURNS BROWN OPERATING COMPANY
TO DELINEATE THE SW¼ OF SECTION 19,
T33N-R17E, HILL COUNTY, MONTANA, AS
A PERMANENT SPACING UNIT FOR THE
EAGLE FORMATION AND TO DESIGNATE
ITS BALTRUSCH 19-33-17C WELL AS THE
ONLY AUTHORIZED WELL FOR SAID
PERMANENT SPACING UNIT.

ORDER NO. 151-2004

Docket No. 175-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the SW¼ of Section 19, T33N-R17E, Hill County, Montana, is designated as a permanent spacing unit for the Eagle Formation.

IT IS FURTHER ORDERED that applicant's Baltrusch 19-33-17C well is designated as the only authorized well for said spacing unit.

BOARD ORDER NO. 151-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
J. BURNS BROWN OPERATING COMPANY
TO DELINEATE THE W½ OF SECTION 16
AND THE E½ OF SECTION 17, BOTH IN
T34N-R17E, HILL COUNTY, MONTANA, AS
A PERMANENT SPACING UNIT FOR THE
EAGLE FORMATION AND TO DESIGNATE
ITS MAJERUS 17-34-14B WELL AS THE
ONLY AUTHORIZED WELL FOR
SAID SPACING UNIT.

ORDER NO. 152-2004

Docket No. 176-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that W½ of Section 16 and the E½ of Section 17, both in T34N-R17E, Hill County, Montana, are designated a permanent spacing unit for the Eagle Formation.

IT IS FURTHER ORDERED that applicant's Majerus 17-34-14B well is designated as the only authorized well for said spacing unit.

BOARD ORDER NO. 152-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
TRUE OIL LLC TO DRILL A MUDDY
FORMATION OIL TEST WELL IN THE
NW¼SE¼ OF SECTION 23, T8S-R51E,
POWDER RIVER COUNTY, MONTANA, AT
A LOCATION 2181' FSL AND 2431' FEL OF
SAID SECTION 23, AS AN EXCEPTION
TO A.R.M. 36.22.702.

ORDER NO. 153-2004

Docket No. 177-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of True Oil LLC is granted as applied for.

BOARD ORDER NO. 153-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
MACUM ENERGY, INC. TO ENLARGE THE
WEST DRY CREEK FIELD AS DELINEATED
BY BOARD ORDERS 43-78, 65-82 AND 86-82
TO INCLUDE LOT 2, S½SW¼ OF SECTION 29,
T6S-R21E, CARBON COUNTY,
MONTANA, AND AMENDING ALL SAID
ORDERS INsofar AS SAID LANDS ARE
CONCERNED TO INCLUDE ALL
FORMATIONS FROM THE SURFACE OF THE
EARTH TO THE BASE OF THE
GREYBULL FORMATION AND TO
AUTHORIZE DRILLING A WELL THEREIN
WITH A BOTTOM HOLE LOCATION NOT
LESS THAN 100 FEET FROM THE EAST
BOUNDARY AND 330 FEET FROM THE
REMAINING EXTERIOR BOUNDARIES
OF SAID LANDS.

ORDER NO. 154-2004

Docket No. 178-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Jack King recused himself. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.

2. Dee Stuart, who has a royalty interest in Section 32, was present and objected to applicant's proposed seismograph activities. No other objections to the application were stated. Ms. Stuart requested that applicant buy her royalty interests.

3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Board Orders 43-78, 65-82 and 86-82 are amended to include Lot 2, S½SW¼ of Section 29, T6S-R21E, Carbon County, Montana, as a spacing unit within the West Dry Creek Field.

BOARD ORDER 154-2004

IT IS FURTHER ORDERED that Board Orders 43-78, 65-82 and 86-82 are further amended to include all formations from the surface of the earth to the base of the Greybull Formation within Lot 2 and the S½SW¼ of Section 29, T6S-R21E only.

IT IS FURTHER ORDERED that applicant may drill a well in the added area with a bottom hole location not less than 100 feet from the east boundary and 330 feet from the remaining exterior boundaries of said lands.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
WESTPORT OIL AND GAS COMPANY, L.P.
TO DRILL AN ADDITIONAL HORIZONTAL
BAKKEN FORMATION WELL IN THE
TEMPORARY SPACING UNIT COMPRISED
OF ALL OF SECTIONS 32 AND 33, T23N-R57E,
RICHLAND COUNTY, MONTANA,
ANYWHERE WITHIN SAID TEMPORARY
SPACING UNIT BUT NOT CLOSER THAN
660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 155-2004

Docket No. 179-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Westport Oil & Gas Company, L.P. is authorized to drill an additional horizontal Bakken Formation well in the temporary spacing unit comprised of all of Sections 32 and 33, T23N-R57E, Richland County, Montana.

IT IS FURTHER ORDERED that said well may be drilled anywhere within said temporary spacing unit but not closer than 660 feet to the boundaries thereof.

BOARD ORDER NO. 155-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
WESTPORT OIL AND GAS COMPANY, L.P.
TO DRILL AN ADDITIONAL HORIZONTAL
BAKKEN FORMATION WELL IN THE
TEMPORARY SPACING UNIT COMPRISED
OF ALL OF SECTIONS 34 AND 35, T23N-R57E,
RICHLAND COUNTY, MONTANA,
ANYWHERE WITHIN SAID TEMPORARY
SPACING UNIT BUT NOT CLOSER THAN
660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 156-2004

Docket No. 180-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Westport Oil & Gas Company, L.P. is authorized to drill an additional horizontal Bakken Formation well in the temporary spacing unit comprised of all of Sections 34 and 35, T23N-R57E, Richland County, Montana.

IT IS FURTHER ORDERED that said well may be drilled anywhere within said temporary spacing unit but not closer than 660 feet to the boundaries thereof.

BOARD ORDER NO. 156-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
DRILL TWO ADDITIONAL EAGLE SAND
FORMATION GAS WELLS ANYWHERE
WITHIN SECTION 19, T27N-R14E, CHOUTEAU
COUNTY, MONTANA, BUT NOT CLOSER
THAN 990 FEET TO THE SPACING UNIT
BOUNDARIES AS AN EXCEPTION TO
A.R.M. 36.22.702.

ORDER NO. 157-2004

Docket No. 182-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that applicant is authorized to drill two additional Eagle Formation gas wells anywhere with Section 19, T27N-R14E, Choteau County, Montana, but not closer than 990 feet to the spacing unit boundaries as an exception to A.R.M. 36.22.702.

BOARD ORDER NO. 157-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
DRILL UP TO FOUR EAGLE SAND
FORMATION GAS WELLS AT LOCATIONS
ANYWHERE WITHIN SECTION 18, T27N-R14E,
CHOUTEAU COUNTY, MONTANA, BUT NOT
CLOSER THAN 660 FEET TO THE SPACING
UNIT BOUNDARIES THEREOF AS AN
EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 158-2004

Docket No. 183-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Devon Louisiana Corporation is authorized to drill up to four Eagle Formation gas wells anywhere within Section 18, T27N-R14E, Chouteau County, Montana, but not closer than 660 feet to the spacing unit boundaries thereof as an exception to A.R.M. 36.22.702.

BOARD ORDER NO. 158-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
AMEND THE TIGER RIDGE FIELD RULES TO
AUTHORIZE THE DRILLING OF THREE
ADDITIONAL EAGLE SAND FORMATION
GAS WELLS ANYWHERE WITHIN SECTION
20, T32N-R16E, HILL COUNTY, MONTANA,
BUT NOT CLOSER THAN 990 FEET TO THE
SPACING UNIT BOUNDARIES THEREOF AS
AN EXCEPTION TO BOARD ORDER 10-70.

ORDER NO. 159-2004

Docket No. 184-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Louisiana Corporation is granted as applied for.

BOARD ORDER NO 159-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
AMEND THE SAWTOOTH MOUNTAIN FIELD
RULES TO AUTHORIZE THE DRILLING OF
AN ADDITIONAL EAGLE SAND FORMATION
GAS WELL ANYWHERE WITHIN SECTION 14,
T27N-R18E, BLAINE COUNTY,
MONTANA, BUT NOT CLOSER THAN 990
FEET TO THE SPACING UNIT BOUNDARIES
AS AN EXCEPTION TO BOARD ORDER 45-76
AND VACATING BOARD ORDER 334-2003.

ORDER NO. 160-2004

Docket No. 185-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the Sawtooth Mountain Field rules are amended to authorize the drilling of an additional Eagle Sand Formation gas well anywhere within Section 14, T27N-R18E, Blaine County, Montana, but not closer than 990 feet to the spacing unit boundaries as an exception to Board Order 45-76.

IT IS FURTHER ORDERED that Board Order 334-2003 is vacated.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 160-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
AMEND THE SAWTOOTH MOUNTAIN FIELD
RULES WITH RESPECT TO SECTION 3,
T26N-R20E, BLAINE COUNTY, MONTANA,
TO AUTHORIZE THE DRILLING OF TWO
ADDITIONAL EAGLE SAND FORMATION
WELLS ANYWHERE WITHIN SAID SECTION 3,
BUT NOT CLOSER THAN 660 FEET TO
THE SPACING UNIT BOUNDARIES AS AN
EXCEPTION TO BOARD ORDER 45-76.

ORDER NO. 161-2004

Docket No. 186-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Louisiana Corporation is granted as applied for.

BOARD ORDER NO. 161-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
AMEND THE TIGER RIDGE FIELD RULES
WITH RESPECT TO SECTION 36, T32N-R16E,
HILL COUNTY, MONTANA, TO
AUTHORIZE THE DRILLING OF AN
ADDITIONAL EAGLE SAND FORMATION
GAS WELL 500' FNL AND 500' FEL OF SAID
SECTION 36, WITH A 50-FOOT
TOPOGRAPHIC TOLERANCE IN ANY
DIRECTION AS AN EXCEPTION TO
BOARD ORDER 10-70.

ORDER NO. 162-2004

Docket No. 187-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application here and after set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Louisiana Corporation is granted as applied for.

BOARD ORDER NO. 162-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
AMEND THE BULLWACKER FIELD RULES
TO ALLOW THE DRILLING OF AN
ADDITIONAL EAGLE-VIRGELLE
FORMATION GAS WELL 2450' FNL AND
270' FWL IN THE W½ OF SECTION 22,
T27N-R16E, CHOUTEAU COUNTY,
MONTANA, AS AN EXCEPTION
TO BOARD ORDER 26-74.

ORDER NO. 163-2004

Docket No. 188-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Devon Louisiana Corporation is authorized to drill an additional Eagle-Virgelle Formation gas well 2450' FNL and 270' FWL in the W½ of Section 22, T27N-R16E, Chouteau County, Montana, as an exception to Board Order 26-74.

IT IS FURTHER ORDERED that, should applicant's proposed well be successful, all proceeds shall be escrowed in an interest-bearing account pending execution of a border agreement among all affected parties. Alternatively, should engineering and geologic data acquired from such well indicate that a border agreement is not required to protect correlative rights, the applicant may submit such information to the Board's Administrator who may either make a determination that a border agreement is not required and that escrowed proceeds may be released, or refer the matter to the Board for hearing.

BOARD ORDER NO. 163-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
DRILL AN ADDITIONAL EAGLE SAND
FORMATION GAS WELL 250' FSL AND
2130' FEL IN THE SE¼ OF SECTION 18,
T30N-R16E, HILL COUNTY, MONTANA,
AS AN EXCEPTION TO BOARD ORDER 19-2004.

ORDER NO. 164-2004

Docket No. 189-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Devon Louisiana Corporation is authorized to drill an additional Eagle Sand Formation gas well with a proposed bottom-hole location approximately 250' FSL and 2130' FEL of Section 18, T30N-R16E, Hill County, Montana, as an exception to Board Order 19-2004.

BOARD ORDER NO. 164-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
EOG RESOURCES, INC. TO VACATE THE
TEMPORARY SPACING UNIT COMPRISED
OF ALL OF SECTIONS 16 AND 21, T25N-R53E,
RICHLAND COUNTY, MONTANA, WHICH
WAS ESTABLISHED BY BOARD ORDER 182-2003.

ORDER NO. 165-2004

Docket No. 191-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the temporary spacing unit comprised of all Sections 16 and 21, T25N-R53E, Richland County, Montana, which was established by Board Order 182-2003, is hereby vacated.

BOARD ORDER NO. 165-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
HEADINGTON OIL, LIMITED PARTNERSHIP
TO DESIGNATE A TEMPORARY SPACING
UNIT COMPRISED OF LOTS 1, 2, 3, 4, S½S½
(ALL) OF SECTION 1 AND THE E½ AND
SW¼ OF SECTION 12, T24N-R55E,
RICHLAND COUNTY, MONTANA, TO DRILL
A HORIZONTAL WELL IN THE BAKKEN
FORMATION ANYWHERE WITHIN SAID
TEMPORARY SPACING UNIT BUT NOT
CLOSER THAN 660 FEET TO THE
BOUNDARIES THEREOF.

ORDER NO. 166-2004

Docket No. 194-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Murex Petroleum Corporation (Murex) protested the application claiming the proposed horizontal well would drain reserves from the Fink #2 well in the NW ¼ of Section 12, T24N-R55E, Richland County, Montana. Murex operates the Fink #2 well.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Lots 1, 2, 3, 4, S½S½ (all) of Section 1 and the E½ and SW¼ of Section 12, T24N-R55E, Richland County, Montana, are designated as a temporary spacing unit to drill a horizontal well in the Bakken Formation anywhere within said temporary spacing unit but not closer than 660 feet to the boundaries thereof.

BOARD ORDER NO. 166-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
HEADINGTON OIL, LIMITED PARTNERSHIP
TO DELINEATE ALL OF SECTION 28,
T24N-R55E, RICHLAND COUNTY, MONTANA,
AS A FIELD AND PERMANENT SPACING
UNIT FOR PRODUCTION OF OIL AND
ASSOCIATED NATURAL GAS FROM THE
BAKKEN FORMATION AND DESIGNATING
APPLICANT'S BURGESS #24X-28 WELL
AS THE ONLY AUTHORIZED WELL FOR
SAID SPACING UNIT.

ORDER NO. 167-2004

Docket No. 195-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Elaine Mitchell recused herself. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Section 28, T24N-R55E, Richland County, Montana, is designated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Burgess #24X-28 well is designated as the only authorized well for said spacing unit.

BOARD ORDER NO. 167-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
HEADINGTON OIL, LIMITED PARTNERSHIP
TO DELINEATE THE E½ OF SECTION 13
AND THE N½ AND SW¼ OF SECTION 24,
T23N-R56E, RICHLAND COUNTY, MONTANA,
AS A FIELD AND PERMANENT SPACING
UNIT FOR PRODUCTION OF OIL AND
ASSOCIATED NATURAL GAS FROM THE
BAKKEN FORMATION AND DESIGNATING
APPLICANT'S NEVINS TRUST #41X-24 WELL
AS THE ONLY AUTHORIZED WELL FOR
SAID SPACING UNIT.

ORDER NO. 168-2004

Docket No. 196-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the E½ of Section 13 and the N½ and SW¼ of Section 24, T23N-R56E, Richland County, Montana, are designated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Nevins Trust #41X-24 well is designated as the only authorized well for said spacing unit.

BOARD ORDER NO. 168-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
HEADINGTON OIL, LIMITED PARTNERSHIP
TO DELINEATE LOTS 1, 2, 3, 4, S½S½ (ALL)
OF SECTION 4 AND ALL OF SECTION 9,
T24N-R56E, RICHLAND COUNTY, MONTANA,
AS A FIELD AND PERMANENT SPACING
UNIT FOR PRODUCTION OF OIL AND
ASSOCIATED NATURAL GAS FROM THE
BAKKEN FORMATION AND DESIGNATING
APPLICANT'S JOHNSON #34X-9 WELL AS
THE ONLY AUTHORIZED WELL FOR
SAID SPACING UNIT.

ORDER NO. 169-2004

Docket No. 197-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Lots 1, 2, 3, 4, S½S½ (all) of Section 4 and all of Section 9, T24N-R56E, Richland County, Montana, are designated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Johnson #34X-9 well is designated as the only authorized well for said spacing unit.

BOARD ORDER NO. 169-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
KLABZUBA OIL & GAS, INC. TO
DESIGNATE THE S½ OF SECTION 14,
T34N-R15E, HILL COUNTY, MONTANA,
AS A PERMANENT SPACING UNIT FOR
PRODUCTION OF GAS FROM THE EAGLE
SAND FORMATION THROUGH THE
VERPLOEGEN #14-34-15 WELLBORE.

ORDER NO. 170-2004

Docket No. 418-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the S½ of Section 14, T34N-R15E, Hill County, Montana, is designated as a permanent spacing unit for production of gas from the Eagle Sand Formation through the Verploegen #14-34-15 wellbore.

BOARD ORDER NO. 170-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
EOG RESOURCES, INC. TO DELINEATE
ALL OF SECTIONS 15 AND 22, T25N-R53E,
RICHLAND COUNTY, MONTANA, AS A
FIELD AND PERMANENT SPACING UNIT
FOR PRODUCTION OF OIL AND
ASSOCIATED NATURAL GAS FROM THE
BAKKEN FORMATION AND DESIGNATING
APPLICANT'S VAIRSTEP #1-22H WELL AS
THE ONLY AUTHORIZED WELL FOR
SAID SPACING UNIT.

ORDER NO. 171-2004

Docket No. 75-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 15 and 22, T25N-R53E, Richland County, Montana, are designated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Vairstep #1-22H well is designated as the only authorized well for said spacing unit.

BOARD ORDER NO. 171-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
EOG RESOURCES, INC. TO DELINEATE
ALL OF SECTION 23, T25N-R53E,
RICHLAND COUNTY, MONTANA, AS A
FIELD AND PERMANENT SPACING UNIT
FOR THE PRODUCTION OF OIL AND
ASSOCIATED NATURAL GAS FROM
THE BAKKEN FORMATION AND TO
DESIGNATE APPLICANT'S IRIGOIN #15-23H
WELL AS THE ONLY AUTHORIZED WELL
FOR SAID SPACING UNIT.

ORDER NO. 172-2004

Docket No. 76-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 23, T25N-R53E, Richland County, Montana, is delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Irigoin #15-23H well is designated as the only authorized well for said spacing unit.

BOARD ORDER NO. 172-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF
J. BURNS BROWN OPERATING COMPANY
FOR AN ORDER REMOVING ALL OF
SECTION 34, T33N-R18E, BLAINE COUNTY,
MONTANA, FROM THE LOHMAN FIELD,
AND DESIGNATING THE SW¼ OF SAID
SECTION 34 AS A TEMPORARY SPACING
UNIT, AND AUTHORIZING THE DRILLING
OF AN EAGLE FORMATION GAS TEST WELL
AT A LOCATION NOT LESS THAN 660 FEET
FROM THE EXTERIOR BOUNDARIES OF SAID
TEMPORARY SPACING UNIT AS AN
AMENDMENT TO BOARD ORDER 23-78.

ORDER NO. 173-2004

Docket No. 104-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 20th day of May, 2004 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Section 34, T33N-R18E, Blaine County, Montana, is removed from the Lohman Field, as delineated by Board Order 23-78.

IT IS FURTHER ORDERED that the SW¼ of said Section 34 is designated as a temporary spacing unit for the Eagle Formation.

IT IS FURTHER ORDERED that an Eagle Formation gas test well may be drilled anywhere within said spacing unit but not less than 660 feet from the exterior boundaries of said temporary spacing unit.

BOARD ORDER NO. 173-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 20th day of May, 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary